

10 October 1966 25X1

DCI BRIEFING FOR
RIVERS SUBCOMMITTEE

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apply.

DIA review(s) completed.

NORTH VIETNAM: OIL

- I. You asked me last week about the status of North Vietnamese oil supplies.
- II. To summarize, the air attacks have destroyed about three-quarters of the principal bulk storage facilities, but there is still enough oil on hand for 70 to 100 days of operation at current consumption rates.
- III. The remaining storage capacity is going to be hard to destroy.
 - A. There are still seven principal storage sites in the Hanoi-Haiphong area, and one at Vinh, but these account for only about 30,000 tons now.
 - B. There are as many as 100 small tank sites, dispersed all over North Vietnam, which handle another 20,000 tons.
 - C. They can handle about 25,000 tons in small military and industrial sites, and with 130,000 drums. They have imported these 55-gallon containers to facilitate dispersal and distribution.

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IV. We estimate current North Vietnamese requirements at 16,000 tons a month for both military and civilian purposes.

- A. DIA estimates that the remaining storage capacity is half full--we estimate 75 percent. That yields the figure of 70 to 100 days' supply.
- B. We believe that recent deliveries by sea, together with some transshipment across China, have been meeting the requirement level.
- C. Since the ROLLING THUNDER program began going after oil facilities in late June, there is no single petroleum storage area which can accept the full load of a 10,000-ton tanker.

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2. The oil jetties are still available at Haiphong, but they are useless because the storage tanks have been destroyed.

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- V. Our records show that until a year ago, North Vietnamese imports were running at about 12,000 tons a month.
- A. From September 1, 1965, until the bombings began on June 28, the rate averaged about 20,000 tons a month, enabling the North Vietnamese to build up their reserves.
- B. Since the bombings, they have been bringing in 11,000 tons a month--5,000 below requirements, but as I said, they still have a reserve.
- C. About 95 percent comes from the Soviet Union--the remaining five percent from Rumania or Hungary.

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OIL-4

10 October 1966

DCI BRIEFING FOR
RIVERS SUBCOMMITTEE

COMMUNIST AID TO NORTH VIETNAM

I. The level of Communist aid now is determined by North Vietnam's capacity to absorb. It imposes no disrupting burden on the suppliers.

A. From 1955, when initial aid was extended, through 1964, Communist assistance was primarily economic. It amounted to about one billion dollars. Aid shifted chiefly to military deliveries in 1965, when about \$350 million worth of assistance was provided. This figure was probably exceeded by shipments this year.

1. The USSR now is the major source for both economic support and major military equipment.



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3. East European aid has been largely token assistance, to display Communist solidarity.

II. Communist military aid averaged only \$20 million a year through 1964, but is believed to have grown to at least \$250 million in 1965.

A. Major deliveries have been limited chiefly to air defense equipment; only a few relatively old offensive bombers have been provided. [REDACTED]

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B. Equipment deliveries have been limited by lack of trained Vietnamese personnel.

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3. Eastern Europe along with Russia and China provides military-associated equipment such as vehicles and medical supplies.

III. Economic aid has shifted sharply from development projects (power plants, coal mine projects)

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to support of current consumption and the provision of construction goods and vehicles to maintain and improve logistical links to Laos and South Vietnam.

- A. Economic aid provided since 1955 for development projects totals about one billion dollars--Communist China providing about half, the USSR some 40 percent, and Eastern Europe the remainder.
- B. Deliveries of Russian aid have accelerated since Kosygin's visit in February 1965. Most of the aid now arriving apparently is provided as a gift.
- C. Frequent trips by North Vietnamese economic delegations to China and the Soviet bloc indicate that recent pacts probably are short term, and are modified continuously to reflect changing war needs.

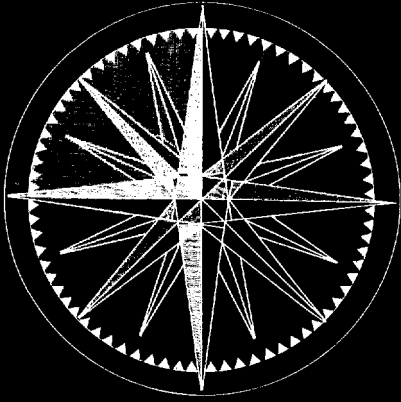
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30 September 1966

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CURRENT INTELLIGENCE WEEKLY SPECIAL REPORT

COMMUNIST AID TO NORTH VIETNAM

CENTRAL INTELLIGENCE AGENCY
DIRECTORATE OF INTELLIGENCE

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COMMUNIST AID TO NORTH VIETNAM

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Communist economic and military aid to North Vietnam continues to be the vital element in maintaining essential production and services, and in enabling Hanoi to support the war in the South. Hanoi's ability to trade has deteriorated in the last 18 months to the point where Communist suppliers have little expectation of ever being repaid.

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Communist aid now appears aimed at maintaining current domestic consumption, providing vital transportation, construction, and repair facilities to sustain the supply of arms to Communist forces in the South, and supplying air defense equipment for making the allied air effort against North Vietnam as costly as possible. There is every indication that the Communist countries, especially China and the USSR, intend to meet North Vietnam's rising requirements for economic and military aid.

Level of Aid

Deliveries this year are probably running ahead of the 1965 rate, which involved at least \$250 million in military aid and \$100 million in economic aid. The sharp increase over the pre-1965 level is in direct response to US and South Vietnamese bombing of the North and the commitment of major US ground forces in the South.

This stepped-up influx of aid enables Hanoi not only to maintain vital services in spite

of allied bombing but also to continue to infiltrate increasing numbers of North Vietnamese regulars into South Vietnam and to supply them. Hanoi has used some of the aid received since the bombing began in early 1965 to strengthen its transportation system by building new roads and bypass highway and railroad bridges.

Communist countries are

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currently providing about 85 percent of the nonmilitary goods flowing into North Vietnam.

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The acceleration of Communist assistance programs began with Soviet Premier Kosygin's visit to Hanoi in February 1965.

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Economic Aid

Communist economic aid this year will exceed the estimated \$100 million reached in 1965.

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most aid now is directed to meet current consumption, maintenance, and reconstruction requirements arising from the stepped-up tempo of attacks on North Vietnam and the supply links to the South through Laos and Cambodia. The bulk of this new assistance comes from the USSR and China. East European participation is designed largely to demonstrate solidarity with the Communist cause.

There is a growing accumulation of evidence of a possible shift in the complexion of economic aid--at least on the part of the Soviets--from industrial development projects to consumption goods, transportation equipment, and maintenance.

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Tied in with the shift in the direction of aid is the sharp increase in the flow of goods into North Vietnam in the first half of 1966. Part of this increase is to compensate for bomb damage to existing facilities.

Imports of portable diesel and thermal power-generating equipment are not only replacing generating capacity lost through bomb damage but are enabling Hanoi to deploy the equipment throughout the country. Hanoi also appears intent on building up and dispersing reserves of commodities such as petroleum, construction material, and pharmaceuticals needed to maintain the war effort. The pattern of imports and the storage of petroleum since September 1965 demonstrates this effort.

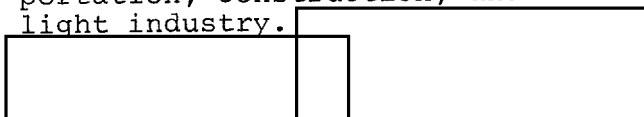
Imports of petroleum in the first eight months of 1965

averaged about 12,000 tons per month, about the same as in 1964. From 1 September 1965 until the bombing of the bulk petroleum storage facilities at Hanoi and Haiphong in late June of this year, average monthly imports rose to more than 20,000 tons--considerably in excess of estimated consumption requirements. It was during this latter period that air reconnaissance began to reveal a growing system of dispersed storage tanks



In addition, petroleum drum concentrations, often consisting of several thousand drums, have been noted at rail transshipment points and at strategic locations along the highways. The effectiveness of this system is suggested by the lack of evidence that the bombing of the storage sites at Hanoi and Haiphong has had any measurable effect on the economy and the war effort.

Total economic aid extended by Communist countries from 1955 to the end of 1965 is believed to be in excess of \$1 billion. China has provided about half, the USSR about 40 percent, and the other Communist countries the remainder. Most of the aid has been used to provide equipment and technicians for agriculture, transportation, construction, and light industry.



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Military Aid

Although little is known about the magnitude of Communist military aid this year, it will probably exceed the estimated \$250 million in 1965. The program is essential for North Vietnam, which lacks the capability of making any but the simplest arms and munitions. The reported visit of North Vietnam's Defense Minister Giap to the USSR in August probably was related to a broad review of the situation. It may also have resulted in increased military supplies for Hanoi.

The Soviet Union, which provided about three fourths of the military aid in 1965, has been Hanoi's source of advanced military equipment, especially the SAM system and jet aircraft.

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Military aid from the Communist countries of Eastern Europe is negligible, although they are supplying military-related items such as sport rifles for training, hospitals, pharmaceuticals, and vehicles.

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DCI BRIEFING FOR
RIVERS SUBCOMMITTEECOMMUNIST AID TO NORTH VIETNAM

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B. Equipment deliveries have been limited by lack of trained Vietnamese personnel.

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DCI BRIEFING FOR
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NIGERIA

- I. The tribal slaughtering that is going on in Nigeria today is of concern because of the considerable American stake in the country.
- A. Nigeria is a British responsibility in the first instance, but there is a considerable question of whether the British could get sufficient forces there in time to cope with a major emergency.
- B. We have no military commitments, but we have about 7,000 US nationals in the country, including about 350 official personnel and 700 Peace Corps volunteers.

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2. AID has a \$225-million commitment to the Nigerian Six-Year Development Plan.

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3. Nigeria has the largest AID, Peace Corps, and USIA programs in Africa.

C. The British have the predominant commercial role in Nigeria, but our investment in oil facilities and other fixed assets is now more than \$100 million, and our annual exports to Nigeria are approaching \$100 million.

II. The British gave Nigeria about as good a start toward government and economy as a colony can get, but the present trouble comes from trying to make one cohesive country out of some 250 separate and often antagonistic tribes. It is the most populous country in Africa.

A. The Moslems of the North and some of the Christian or pagan tribes along the coast have been playing "King of the Mountain" against each other for several years --first by election, then by military coup, and now by intertribal massacres which are approaching civil war.

NIG-2

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1. The victims in the present phase are the Ibos, a Christian tribe in the Eastern region who are the most advanced, and therefore held a lot of the best jobs all over the country.
2. The Ibos who happen to be in the Northern Region are being hunted down or driven out.

B. Under these strains, Nigeria appears increasingly likely to break into regional or tribal fragments.

III. At the center of the present turmoil is the breakdown of discipline among northern troops. The Northerners predominate in most of the remaining units of the badly shattered army.

- A. Last July these troops overthrew the former Ironsi military regime, which was dominated by Ibos, and installed their own man, Lt. Col. Gowon, as Supreme Commander and head of the national government.
- B. The northern troops are leading the bloody vendetta against the Ibos.
- C. Persecution of the Ibos has recently triggered several retaliatory attacks on Northerners living in Ibo country.

NIG-3

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D. Prospects for restoring discipline among the Northern troops at any time in the near future are dim. Most of the senior officers were Ibos.

IV. Representatives of the four regions of Nigeria are holding talks to negotiate a new constitution, but there is little agreement on how the country should now be divided, and how much authority the central government should have.

A. The negotiations have been made even more difficult because some of the representatives are afraid they may be murdered by rival tribesmen, even in the capital.

B. There is no Communist involvement in the present trouble, and no US military commitment, but this is one of those situations where it is easy to become involved.

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DCI BRIEFING FOR
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THAILAND

I. Tensions are beginning to crop up in US-Thai relations as a result of the substantial input of US forces into Thailand.

A. The Thai Foreign Minister, Thanat, (~~Tah~~-NOT) is pushing for a mutual defense agreement which will spell out the rights and obligations of the two countries.

1. The Thais have long been concerned that from their point of view, the US commitment under the SEATO treaty is not strong enough. This feeling has been aggravated by recent critical US newspaper reports and by examination of the alliance relationship in the Senate.

2. Deputy Prime Minister Praphat, (Prah-POTT), the strongest figure in the government, has also expressed apprehension over possible repercussions stemming from the growing number of US troops in

Thailand

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3. At a minimum, the Thais can be expected to bargain more sharply for increased US economic and military aid as a quid pro quo for their continuing assistance.
- B. Thant's call for exploration of a mutual defense agreement reflects the strains in his own relations with the Thai military leadership as well as the Thai concern over the extent of the US commitment.
3. Praphat and the Prime Minister, General Thanom (Tah-NOMM), have taken public as well as private exception to some of Thanat's recent statements in the US. They might let the Foreign Minister step down in the near future.

THAI-2

- II. The Communists in Thailand are determined to step up the pace of their subversion, although it is clear that their capabilities are still limited.
- A. The Communist insurgents have been increasing propaganda activity in the northeast, and have made extensive use of armed propaganda meetings in the villages --a relatively new technique for them.
1. They have not, however, been able to follow up a series of well planned and executed attacks which they made in the northeast in June.
 2. The rainy season is responsible to some extent, but it is also clear that the insurgents are still on the defensive and have the capability of mounting only occasional attacks.

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the Communists are working under some severe handicaps. Mainly, they have not had much success in winning support from the villagers, despite attempts to capitalize on latent economic discontent and local grievances.

2. As a result, they had had to rely heavily on strong-arm tactics, which has made their relations with the villagers even worse.
3. A shortage of competent and dedicated personnel has limited the ability of the movement to open up new areas or to expand activities in those areas already under loose Communist control.

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III. Meanwhile, the military leadership in Bangkok is moving ahead with its counterinsurgency effort, after a slow and somewhat misdirected start.

A. Several organizational changes have been made over the past year to get the counterinsurgency operation on a professional footing.

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1. The majority of these changes have been aimed at getting better coordination between conflicting police, military, and civilian authorities

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- B. The US is playing a key role in providing Bangkok with material and advisory support. Thai leaders, however, are fully confident that they can keep the insurgency within manageable proportions without direct US air or ground support. More importantly, the Thais are extremely jealous of their independence, and are strongly motivated to do the job with a minimum of US assistance.
 1. Under existing agreements--the SEATO treaty and the 1962 Rusk-Thanat accord--Thailand is already assured US backing if it is threatened by covert or overt Communist aggression.
 2. We do not believe that this obligation will have to be met in the near future.

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The Thai insurgency

is still in its infancy, and its long-term prospects appear dim for a variety of reasons, not the least of which is the fact that, unlike South Vietnam, Thailand is a nation with a long history of independence, does not suffer from significant ethnic or religious strife, and enjoys relatively stable and competent leadership.

4. The US would be called to meet its treaty obligations in the face of a direct Chinese or North Vietnamese attack into Thailand, but we have no evidence that such a development is in the offing.

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10 October 1966

DCI BRIEFING FOR
RIVERS SUBCOMMITTEE*No
Map*GUATEMALA

- I. The three-month old Mendez government is in a precarious position.
 - A. Extremists of the right and left are turning the country into an armed camp. Both sides, while warning the public of danger from the other, are building their forces for what each hopes will be the fall of the government.
- II. Although the military and the rightist plotters do not have enough strength or support to move against the regime at this time, there is likely to be a polarization of military support for a coup if there is an increase in guerrilla terrorism.
- III. During the relative peace since the inauguration on 1 July, the Communist guerrillas have increased their recruiting and training.
 - A. The guerrillas' public dialogue with the government has increased their prestige.

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C. The Communists have also begun recruitment in the labor field. They may be able to infiltrate the independent labor movement, which they controlled between 1945-54.

IV. Rightist plotting is based on the growing menace from the left.

A. The government has recently started a counter guerrilla sweep in the field.

B. The guerrillas in the meantime have charged that if the army pursues them they will defend themselves and at the same time attack the military in hopes of overthrowing the regime.

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